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In the Supreme Court of the United States

OCTOBER TERM, 1997

MARCHON EYEWEAR, INC., ET AL., PETITIONERS,

v.

TURA LP AND BRODART CO., RESPONDENTS.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY BRIEF FOR THE PETITIONERS

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REPLY BRIEF FOR THE PETITIONERS

To avoid confronting the significance of the question presented, Tura attempts to disguise both the question and the case. Thus, Tura misstates this Court's holding in *Markman*; it maintains that the three courts that defined the critical patent term differently from the panel below did not do what they did; and it tries to obscure the legal issues with a voluminous technical discussion that misrepresents the patents, the prosecution history, and the underlying science.

But 30 pages of distractions cannot conceal the exceptional and recurring importance of the issue that the petition *does* present: the standard of *appellate* review of a district court's factual determination of what a patent term meant to one "skilled in the art" at the time of invention. 35 U.S.C. § 112. As this Court recently recognized in reversing an appellate court's attempt to impose an over-intrusive standard of review in another context, see *General Electric Co.* v. *Joiner*, 118 S. Ct. 512 (1997), the proper allocation of duties between trial and appellate courts in matters requiring immersion in scientific and technological issues is increasingly important in modern litigation — and it always has been critical in patent disputes. Patent owners should not lose protection for innovative products as a result of appellate overreaching that is legally erroneous and institutionally unsound. But that is what happened here.

In the eight weeks since we filed our petition, different panels of the Federal Circuit have continued to apply conflicting standards to reach contrary results in reviewing district court factual findings of the meaning of claim terms to a "person skilled in the art." One panel held that the trial court properly relied upon expert testimony to determine the relevant meaning of a claim term. See *Fromson* v. *Anitec Printing Plates, Inc.*, __ F.3d __, 1997 WL 795215, at *4-*6 (Fed. Cir. Dec. 30, 1997). Another held that it "usually" is "improper" to rely on expert testimony regarding the scientific context of an invention and the meaning of patent claim terms to persons skilled in the art. See *Bell & Howell Document Management*

Products Co. v. *Altek Systems*, __ F.3d __,1997 WL 765291, at *4 (Fed. Cir. Dec. 5, 1997).[1]

The faction of the Federal Circuit that decided the present case reviews district court claim constructions as if factual disputes about the historic meaning of technical terms did not exist, in effect reading the district court and the trial itself out of the record on appeal. That faction effectively deletes from the Patent Code the requirement that patents be expressed in terms comprehensible, not to judges, but to "person[s] skilled in the art." 35 U.S.C. § 112, ¶ 1. Review by this Court is warranted to establish a correct and consistent standard of appellate review.

1. Tura falsely asserts (Br. in Opp. 1-2) that the petition asks the Court to reconsider *Markman*. But in allocating tasks to courts instead of juries, *Markman* said nothing about appellate review.[2] Tura nonetheless maintains that, by placing claim construction "exclusively within the province of the court" (116 S. Ct. at 1387), this Court necessarily decided that all elements of claim construction receive *de novo* review on appeal. If Tura were correct, there would be no need for Rule 52(a), which applies only to factual determinations "within the province of the court." But Tura is wrong. As we pointed out (Pet. 13), leading commentators recognize that *Markman* left open the

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[1] See also *Extrinsic Evidence Was Properly Used To Give Claim Term Limited Meaning*, 55 PAT., TRADEMARK & COPYRIGHT J. 178, 180 (1998) (noting "intra-circuit conflict"); *Recent Developments in Patent Law*, 5 TEX. INTELL. PROP. L.J. 463, 464 (1997) ("clear disagreements exist over * * * the standard of review for a district court's claim construction").

[2] Tura contends (Br. in Opp. 16) that, by affirming the Federal Circuit's judgment in *Markman*, this Court necessarily agreed with every aspect of the court of appeals' opinion. But the petition in *Markman* presented only the question whether "there [is] a right to a jury trial under the Seventh Amendment of the United States Constitution of genuine factual disputes about the meaning of a patent." No. 95-26, Pet. i. The standard of appellate review was not before this Court, and the Court did not address it.

"distinction of law and fact made for the purpose of determining the proper standard of *appellate* review" under Rule 52(a). 9A C. WRIGHT & A. MILLER, FEDERAL PRACTICE & PROCEDURE 2D § 2591, at 103 (1997 supp.) (emphasis added). *That* question urgently requires resolution by this Court.

Tura repeats the very fallacy that this Court disapproved in *Anderson* v. *City of Bessemer City*, 470 U.S. 564 (1985). Tura insists (Br. in Opp. 20) that, by holding in *Markman* that determinations of demeanor and credibility were not so critical as to require juries to construe patent claims (116 S. Ct. at 1395), the Court silently held that Rule 52(a) did not apply. In *Bessemer City*, which involved a Title VII action before that statute permitted jury trials, this Court flatly rejected the view of "various Courts of Appeals" that, like the court below, "asserted the theory that an appellate court may exercise *de novo* review over findings not based on credibility determinations." 470 U.S. at 574. As this Court observed, "Rule 52(a) 'does not make exceptions or purport to exclude certain categories of factual findings from the obligation of a court of appeals to accept a district court's findings unless clearly erroneous.'" *Ibid.* (quoting *Pullman-Standard* v. *Swint*, 456 U.S. 273, 287 (1982)).

Equally mistaken is Tura's assertion (Br. in Opp. 16) that this Court held in *Markman* that every exercise undertaken by a district court in construing patent claims resolves issues of law rather than fact. Tura overlooks the Court's great pains to avoid using the "law/fact distinction" on which the Federal Circuit relied. 116 S. Ct. at 1393 n.10. To the contrary, the Court recognized that "construing a term of art following receipt of evidence" is a "mongrel practice" in which legal conclusions are drawn from the facts that are found. *Id.* at 1390. Indeed, the Court recognized that such legal conclusions necessarily had "evidentiary underpinnings" (*id.* at 1396).

2. Tura confuses the "legal" interpretation of patent claims with the "evidentiary underpinnings" of that legal conclusion. *Markman*, 116 S. Ct. at 1396. Those underpinnings

include the determination of what a particular term of art meant to "person[s] skilled in the art" at the time of invention — a preliminary issue that, as Judge Learned Hand put it, is "plainly a question of fact." *Harries* v. *Air King Products Co.*, 183 F.2d 158, 164 (2d Cir. 1950). A claim "construction [may be] correct as a matter of law," but only on a given evidentiary record, and "only *because* of the factual predicate." *Fromson*, 1997 WL 795215, at *11 (Mayer, C.J., concurring) (emphasis added).

When other patent-law inquiries similarly involve factual findings *en route* to legal conclusions, the Federal Circuit has no difficulty in reviewing the legal conclusions *de novo* while reviewing the underlying factual determinations for clear error. Such issues include whether a patent is invalid because the invention was obvious to persons of ordinary skill in the art (35 U.S.C. § 103), or was on sale or in public use before the application was filed (*id.* § 102). See *Kolmes* v. *World Fibers Corp.*, 107 F.3d 1534, 1540-1541 (Fed. Cir. 1997). The construction of a claim, like an obviousness determination, is "a legal conclusion involving factual inquiries." *Id.* at 1541. See *Markman*, 116 S. Ct. at 1396 ("purely legal" claim construction has "evidentiary underpinnings"). Appellate review of a claim construction should follow the same course: "The ultimate conclusion * * * , as a question of law, [should be] reviewed *de novo*; the findings concerning the underlying factual inquiries [should be] reviewed for clear error." *Kolmes*, 107 F.3d at 1541.

Indeed, the Federal Circuit so plainly *should* review factual determinations only for clear error that Tura ultimately tries to mislead this Court into believing that the Federal Circuit *did* engage in clear-error review here. But the opinion below provides no support for Tura's bald assertion (Br. in Opp. 28) that the court of appeals actually "held that the trial court committed clear error" in crediting Dr. Beshers' testimony.

Tura is understandably eager to throw the mantle of clear-error review over the Federal Circuit's standardless rejection of the meaning of "3% elasticity" to one skilled in the art.

"[W]hen, as here, there is vigorous dispute and conflicting evidence about the meaning of a term, the trial judge has to make findings of fact as he decides the meaning to ascribe to the patent." *Fromson*, 1997 WL 795215, at *10 (Mayer, C.J., concurring). As now-Chief Judge Mayer aptly noted in the present case, there is "no rational basis [for the Federal Circuit] to deviate from every other area of appellate review, in which [appellate courts] examine the factual findings of a district court only for clear error." Pet. App. 113a-114a.

3. The adjudication of patent rights has been gravely distorted by the disdain of many Federal Circuit panels for the function of the district court and by their eagerness to discard otherwise-controlling factual findings that would withstand clear-error review. Most of the judges on the court below now have the analysis of patent terms exactly backwards. Rather than *beginning* with the trial court's finding as to the understanding of the terms to a "person skilled in the art," and then ensuring that the patent or prosecution history contain no unambiguously contrary definition, several Federal Circuit panels have routinely set aside trial court findings and have plunged into a purely textual analysis that is designed to wring a definition from whatever subtleties may be found in the patent or its prosecution history.

As a result, before many Federal Circuit panels it is the *exception*, rather than the *rule*, for a claim term to mean what it means to one "skilled in the art." It is settled that a patent "applicant is ordinarily *entitled* to be his own lexicographer, so long as his meaning is clear" (*In re Castaing*, 429 F.2d 461, 463 (C.C.P.A. 1970) (emphasis added); see Br. in Opp. 22). But much of the Federal Circuit now *presumes* that patentees are their own lexicographers, whether or not they so intend. In one recent panel's words, "[t]he intrinsic evidence should *usually* be sufficient to enable one to determine the meaning of a claim term." *Bell & Howell*, 1997 WL 765291, at *4 (emphasis added).

That categorical approach severs the connection between the definition of a patent term and the underlying science. Indeed, it is telling that the court in *Bell & Howell* purported to find support for its position in the Federal Circuit's statement in *Markman* that "*ideally* there should be no 'ambiguity' in claim language *to one of ordinary skill in the art*." 52 F.3d at 986 (emphasis added). As the present case illustrates, the court below has transformed a sensible statement into an absurdity by (1) treating the "ideal[]" state of affairs as the "usual[]" one, and (2) discarding the statutory presumption that claim terms need only be clear "to one of ordinary skill in the art."

In sum, the prevailing rule in the Federal Circuit requires appellate judges, who "are not scientists and do not have the scientific training" of one skilled in the disciplines invoked in patents, *Joiner*, 118 S. Ct. at 520 (Breyer, J., concurring), to pursue a purely *literary* exercise in claim construction without regard to the record evidence about the scientific context and the meaning of terms to persons who *are* skilled in the art.[3] But, while the Federal Circuit may be more knowledgeable about patent law generally than most district courts, Federal Circuit judges are not specialists in the scientific and technical fields implicated in patent litigation. As Chief Judge Mayer recently explained, an appellate judge with a generalist's competence in a discipline — recollections of "undergraduate studies and experiments" and a "dictionary in * * * chambers" — may well reach a conclusion about a term's meaning that is very different from the view of one "skilled in the art." *Fromson*, 1997 WL 795215, at *10. Over the course of a trial, a district court must

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[3] As one recent commentator has observed, the only way to harmonize the Federal Circuit's method of review with the Patent Code would be to *amend* Section 112 to *replace* the requirement to state patent claims in terms as they are understood by a "person skilled in the art" with a requirement that the specification include "a definition or interpretation for each term of art and each technical term in the claims, and for each word that qualifies such a term." Silvestri, Note, *A Statutory Solution to the Mischiefs of* Markman *v.* Westview Instruments, Inc., 63 BROOK. L. REV. 279, 282 (1997).

afford close attention to the scientific context of the patents before it — an immersion and an understanding that is far less likely to arise from the limited airing of issues on appeal.

One need look no further than this very case to see that this methodology transforms scientific error into patent law by ignoring relevant expert testimony and relying on complex documents interpreted in isolation.[4] See Pet. 18 & n.6, 29. The court of appeals misunderstood the concept of shape-memory alloys, which are metals that can recover their shape even without complete spontaneous springback. Contrary to Tura's suggestion (Br. in Opp. 6), Claim 5 does *not* represent a metal whose shape could be fully recovered by heating after "permanent deformation." *Permanent* deformation is not recoverable at all; that is what "permanent" means to laymen and specialists alike. But the panel's definition of "3% elasticity" incorporated that error.[5]

Tura's extensive and inaccurate discussion of the record simply illustrates our point: understanding such material requires a grasp of scientific premises and technical definitions. The district court's role in resolving such issues should be para-

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[4] Indeed, when confronted with a substantive part of the patent specification that contradicted the definition of "3% elasticity" that it purported to infer from isolated excerpts of the patent documents, the court of appeals simply declared — without any factual basis — that that portion was a "typographical error" and rewrote the specification to fit the supposedly inferred definition. See Pet. 9-10 & n.2, 25.

[5] In Claim 5 — which, the jury found, several of Tura's eyeglass frames infringed — the "3% elasticity" and "3% heat-recoverable shape-memory" elements require (and thus necessarily *allow*) a partial elastic springback of "at least" 3% and subsequently a 3% or more non-permanent strain recoverable after warming. Pet. App. 13a (Fig. 2G), 58a-60a. The Federal Circuit echoed Tura's misstatement of shape-memory alloy metallurgy, stating (*id.* at 25a) that a Claim 5 component could recover its shape even after "its elastic limit is exceeded." But a material that exceeds its elastic limit sustains *permanent*, *i.e.*, unrecoverable, deformation. See *id.* at 19a (quoting metallurgy text).

mount in patent litigation. As Chief Judge Mayer recently explained, "the surest way to maintain consistency and certainty in patent cases is for [the Federal Circuit] to rely on the trial court's fact finding expertise and the record it makes and considers." *Fromson*, 1997 WL 795215, at *11 (concurring op.).

4. Just as Tura mischaracterizes the holding in *Markman*, it distorts the record in this case, attempting to submerge the question presented in a welter of technical inaccuracies. Like the Federal Circuit, Tura leapfrogs (Br. in Opp. 3-15) the contrary factfinding of the district court to present a distorted version of both the intrinsic and extrinsic evidence at trial.

The contrary conclusions of *three* courts that reviewed the same patents and prosecution histories belie the contention that the patent documents and prosecution history "remove[] any doubt" (Br. in Opp. 26) that "3% elasticity" has the meaning assigned below.[6] Lacking a reasoned response, Tura again settles for misrepresentation. Tura asserts (Br. in Opp. 13) that the *Custom Optical* courts did not examine the '112 patent or prosecution history at all (even though the '955 patent is a continuation-in-part of the '112 patent), or Claim 5 of either patent. The full intrinsic record for both patents *was* before those courts, however. The courts considered the '112 prosecution history (see Pet. App. 117a-118a; 893 F. Supp. at 520), and relied on Claim 5 of the '955 patent (and its embodiments) in

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[6] Indeed, the Federal Circuit did not contradict the district court's observation that the prosecution history contained only one "discussion of elasticity expressed in percentage terms." Pet. App. 54a-55a. But instead of considering *that* usage controlling on the issue, the court of appeals decided that the patentees unknowingly defined elasticity in percentage terms when they were discussing elasticity modified not by a percentage but by words such as "complete" or "optimized." The Federal Circuit simply ignored statements in the specifications that conflicted with its view that "3% elasticity" meant invariably complete spontaneous springback, such as the description of the alloys as "highly" — *not* completely — "resistant to permanent deformation" (*id.* at 4a) and the embodiments that expressly described partial elastic springbacks of 3% or more from strains exceeding 7% (see Pet. 7).

construing "3% elasticity" in Claim 1. Pet. App. 118a-119a; 893 F. Supp. at 522-523.[7]

Tura also misrepresents the summary judgment opinion in *this* case. Tura claims that the tentative claim construction in that opinion was "based primarily upon the intrinsic evidence set forth in the patent specifications and prosecution histories." Br. in Opp. 12. In arriving at its tentative definition of "3% elasticity," however, the district court repeatedly relied on the *extrinsic* evidence that *Tura* submitted: the Johnson affidavit. C.A. App. 1143, 1145, 1150. After trial, the district court was not persuaded by Johnson's testimony, but rested its changed view primarily on the intervening "opportunity to review the specifications and prosecution history at great length," informed by the scientific testimony at trial. Pet. App. 45a. The final claim construction reflects that *informed* view of the patent documents and prosecution history.[8] See *id.* at 46a-60a.

Relitigating a factual issue that it lost but that the Federal Circuit set aside on *de novo* review, Tura misrepresents Dr. Beshers' testimony. Tura answers the wrong question when it fastens on the undeniable fact that in *some* contexts "a commonly accepted definition of 'elasticity'" *used in isolation* is "the ability of a stressed material to return to its original shape upon removal of the stress." Br. in Opp. 13. Tura did not fool the district court, which heard Dr. Beshers testify that no one

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[7] Claim 5 — which unequivocally defines "3% elasticity" to mean less than full spontaneous recovery — plainly *bolsters* the definition of "3% elasticity" found by the *Custom Optical* courts and the district court in this case as the only scientifically plausible interpretation of that term as it is used throughout the patent.

[8] In changing its construction in light of extrinsic evidence not before it the first time, the district court did just what this Court did in *Tilghman* v. *Proctor*, 102 U.S. 707 (1880), overruling *Mitchell* v. *Tilghman*, 86 U.S. (19 Wall.) 287 (1873). The Federal Circuit did the exact opposite in reversing the district court based on term definitions that *ignored* the extrinsic evidence.

"skilled in the art" would apply that elementary and simplistic definition to "elasticity" expressed as a *percentage* in the *specific* metallurgical context of the patent claims. See C.A. App. 4159-4163. See also *Custom Optical*, 893 F. Supp. at 522.

5. The Court should not shy away from reviewing the issue of patent law raised in this case on the false assumption, purposely fostered by Tura's extended discussion of the patents and misrepresentations about the record, that the issue is complicated, inaccessible or fact-bound. To the contrary, the legal issue is straight-forward, squarely presented and immensely important: whether a trial court's finding as to the meaning of a patent claim to a person "skilled in the art" (35 U.S.C. § 112) is reviewable *de novo* or for clear error. The decision below represents a typical example of the Federal Circuit's disregard both for the function that this Court in *Markman* assigned to trial judges and for the "Science and useful Arts" that patents are designed to "promote" (U.S. CONST. art. I, § 8).

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted.

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